

PART 2.

2002 PROGRESS TOWARD ACHIEVING STRATEGIES

The Washington State Consolidated Plan outlines five major goals and twenty-three specific strategies to improve housing and community development conditions in the state. The state has made significant progress toward carrying out these strategies in the second year of the five-year plan. The Department of Community, Trade and Economic Development has tracked the state's progress in implementing those specific strategies using performance measurements and other data, as follows.

A. AFFORDABLE HOUSING

Table 1 - Summary of Federal Resources Invested

Program	Source of Funds	State Administering Agency	Grantees	2001 Funding	2002 Funding
HOME	HUD	DCTED	Units of local government, nonprofits, public housing authorities	\$10,648,000	\$9,648,254
Weatherization	DOE, Bonneville HHS	DCTED	Community action agencies	\$10,462,828	\$10,904,154
CDBG	HUD	DCTED	Units of local government/non entitlement	\$16,248,000	\$16,183,000
ESGP	HUD	DCTED	Units of local government, PHAs, nonprofits	\$1,009,000	\$1,062,000
LIHTC	Federal Tax Credits	Housing Finance Commission	For profit and not for profit housing developers	\$15,968,694	\$12,469,805 (competitive tax credits); \$9,877,113 (tax credits on bond financed deals)
PATH	HHS	DSHS	Units of local government	\$623,000	\$688,000
Administrative Agency	HUD Fees	DCTED	N/A	\$59,694	\$63,228
Supportive Housing Program	HUD	DCTED	Nonprofits	\$1,894,794	\$1,413,094
HOPWA	HUD	DCTED	Nonprofits	\$556,000	\$608,000
EDI- Special Project Grant	HUD	DCTED	Growers		\$1,340,410
TOTAL				\$57,468,000	\$64,257,058

Table 2 - Summary of Non-Federal Resources Invested

Program	Source of Funds	State Administering Agency	Grantees	2001 Funding	2002 Funding
Housing Trust Fund including farmworker, developmentally disabled and homeless family set-asides	Washington State capital budget	DCTED	Nonprofits, units of local government, housing authorities	\$33,369,648	\$39,128,351
Technical Assistance for Housing Projects	Washington State Housing Accounts	DCTED	Nonprofits, units of local government, housing authorities	\$500,000	\$650,000
Energy Matchmakers	Washington State capital budget & oil overcharge funds	DCTED	Community action agencies	\$5,769,948	\$5,574,692
Emergency Shelter Assistance Program	Washington State general fund	DCTED	Nonprofits, units of local government, housing authorities	\$4,986,250	\$4,977,386
Non-Profit Housing (Capital Projects)	Bonds	Housing Finance Commission	Nonprofit providers	\$64,741,000	\$35,520,000
Multi-Family Housing (Capital Projects)	Bonds	Housing Finance Commission	For-profit developers	\$125,396,000	\$125,493,000
Single-Family (House Key Program)	Participating Lenders	Housing Finance Commission	First-time home buyers	\$89,444,699	\$107,625,377
Office of Manufactured Housing	\$15 Title transfer fee per home, at sale	DCTED	None – direct Ombudsman services	\$270,466	\$268,260
Mobile Home Relocation Assistance Program	Fees collected in 1990-92	DCTED	Homeowners required to relocate due to park closures	\$84,611	\$10,117
Manufactured Housing Installer Program	Fees for initial training & rectification	DCTED	None	\$72,694	\$32,713
Transition Housing Operating and Rental Assistance (THOR)	State General Fund	DCTED	Non-profits, units of local government, and housing authorities	\$2,276,668	\$2,278,604
TOTAL				\$322,912,004	\$321,558,500

Table 3 - Summary of Resources Invested in Programs to Support Low-Income Homeowners

Source of Funds	2001 Funding	2002 Funding	Number of Units or Households Assisted	Other Funds Leveraged
HOME (federal)	\$3,328,900	\$1,926,108		
Housing Trust Fund	\$3,318,633	\$2,375,672	132	\$20,013,420
US DOE	\$1,675,125	2,712,204	775	
HHS	\$3,980,088	\$5,137,198	866	
BPA (Carryover)	\$1,145,625	\$1,170,000	197	
Energy Matchmakers	\$3,750,466	\$3,289,068	940	\$3,289,068
CDBG	\$3,243,871	\$2,047,000	103	\$7,408,023
Mobile Home Relocation Assistance Program	\$84,611	\$10,117	4	
TOTAL	\$20,527,319	\$18,667,367		

Table 4 - Summary of Resources Invested in Programs to Support Low-income Renters

Source of Funds	2001 Funding	2002 Funding	Number of Units or Households Assisted	Other Funds Leveraged
HOME (federal)	\$5,784,423	\$9,648,254	504	\$37,017,515
Housing Trust Fund	\$30,051,015	\$36,752,679	4,435	\$206,673,966
LIHTC	\$15,968,694	\$22,346,918	4,182	
US DOE	\$901,991	\$1,884,752	539	
HHS	\$2,143,124	\$2,106,251	602	
BPA(Carryover)	\$616,875	\$479,700	653	
CDBG	\$466,203	\$600,000	24	\$160,000
Energy Matchmakers	\$2,019,482	\$2,285,624	653	\$2,285,624
TOTAL	\$57,951,807	\$76,104,178		

Goal I. Provide safe, decent, affordable housing, targeting households earning up to 80% of the area median income.

STRATEGY 1.

Provide a continuum of housing and services for homeless people, and forestall further homelessness through prevention activities.

Major accomplishments toward meeting the objectives of this strategy included:

- ❑ The Department of Corrections completed a statewide strategic planning process to create opportunities for successful discharges of high-risk offenders into the community. This multi-level, multi-disciplined approach included cooperative measures (between developers, service providers, local neighborhoods, state and local law enforcement and WA state DSHS and DCTED) to develop reintegration support programs and housing resources. The Plan *"The Partnership for Community Safety"* was completed, and preliminary planning on pilot projects commenced during the year.
- ❑ The state's Housing Trust Fund, including the set-aside for homeless families with children and for survivors of domestic violence, continued to provide substantial support for emergency, transitional and permanent supportive housing units for people who are homeless. Fourteen projects were funded to build 263 units of transitional housing including two (twenty-six units) that will serve survivors of domestic violence. Another three projects will provide 342 beds of emergency shelter and 190 units for low-income homeless people, most of whom live with severe and persistent mental illness and/or chemical dependency.
- ❑ Requests for cash, food and medical assistance became easier and faster on July 1, 2002 when the Department of Social and Health Services (DSHS) introduced a simpler, shorter application form. In the past, persons eligible for benefits, including homeless family members, did not apply for benefits simply because the paperwork was complicated. The new application is much shorter and more user-friendly. Ninety-five percent of the DSHS clients who have used the new form indicated that it was easy to complete and understand. The application is available online, at local DSHS offices and by mail. Importantly, it is now available in English and twenty-nine other languages.
- ❑ In 2002, the state widely distributed the recently published study of homeless families conducted by DSHS in the summer of 2000. Critical information on the extent and causes of homelessness among families is included in the report. The report found an estimated 750 families were homeless statewide. The 2,529 children and adults that made up these 750 families represent 4.3 out of every 10,000 children and adults in the state's population—proportionately more in the eastern part of the state (5.3 per 10,000 population) than in the west (4.0 per 10,000). Parents cited financial problems and domestic violence as two of the main reasons they lost the last place they called home. Overall, 44% of all homeless parents reported emotional abuse, 27% physical abuse, and 10% sexual abuse by a domestic partner in the prior twelve months.

- ❑ To assist with participation in WorkFirst (the state's work-oriented program for families on Temporary Assistance for Needy Families) despite domestic violence issues, domestic violence counselors were co-located in twenty-three Community Service Offices throughout Washington State. Because many families are homeless as a result of family violence, these services were perceived as critically important in stopping the cycle of family violence and enabling single moms to find and keep employment.
- ❑ State DSHS has started to pursue a "No Wrong Door" model as an integrated multi-disciplinary approach to providing human services to individuals and families in need. Two DSHS Community Service Offices have started pilot programs that will include a focus on housing issues and homeless families with children.
- ❑ In 2002, the State Rural Homeless Steering Committee developed its first Annual Action Plan to initiate planning with the goal of ending chronic homelessness in ten years. As part of the Action Plan, a non-profit mental health provider in Thurston County was selected to undertake a pilot project for permanent supportive housing serving the chronic homeless. One new project each year is planned for the future.

Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:

- 1.1 *(Seek additional funding for emergency shelters and transitional housing and services). HUD awarded \$1,413,094 of McKinney funding to DCTED to continue 10 transitional housing programs and to start 4 new homeless projects in the State's Rural Continuum of Care system. The State Legislature had reduced state general fund support for the Emergency Shelter Assistance Program (ESAP) but this reduction was restored using revenues from the newly created recording fee account which resulted in level year funding for ESAP.*
- 1.2 *(Seek additional funding to increase transitional housing construction) \$7,560,838 in state capital funds were awarded to 14 projects, to provide 263 units of transitional housing.*
- 1.3 *(Collaborate to optimize the success and benefits of the Healthy Families Initiative) DCTED provided \$2,689,175 in matching funds for 5 Sound Families (formally Healthy Families Initiative) projects. Sound Families is a program developed by the Bill and Melinda Gates Foundation.*
- 1.7 *(Launch a new initiative to link the planning and priorities of all urban and rural Continuums in the state). Urban and Rural Continuum of Care committees worked together to focus on combining services to better support people suffering from multiple diagnosis and dependencies and who have trouble finding and keeping housing. Statewide forums were on: State and Federal Systems; What's available and how can we join forces; National Models; Washington State Models; Good News about Dissolving Barriers between Agencies; New Tools; and Next Steps. The forums were attended by 255 participants.*
- 1.8 *(Develop a homeless client tracking system) DCTED continued to work on implementing a Homeless Management Information System (HMIS) throughout Washington State. The homeless data system will collect client-level information on*

the people served by emergency shelter and transitional housing in the state. A limited testing pilot was launched in April 2002 in Thurston County, that helped DCTED refine the system based on end-user feedback. Further deployment was halted when HUD announced in July 2002 that they would release a set of system standards that will define the types of data collected and security of the system. DCTED did not want to use limited resources deploying/training communities on the system, and then in a few months re-deploy and retrain everyone on a new system meeting the HUD standards. DCTED participated in a process with HUD to develop the data standard for HMIS systems.

1.9 (Increase partnering of service providers and housing developers) DCTED continued to see some success in this area. Over the past year, notable examples of partnerships are the Downtown Emergency Service Center's Morrison project where Housing Resource Group is the developer. Also, in Spokane, the Northwest Regional Facilitators was the housing developer for Volunteer of America's Hope House project. Other examples are Common Ground providing technical assistance to Compass Center, Community Psychiatric Clinic and the Group Action for Peninsula People projects.

1.10 (Prevent homelessness by preventing evictions) Over the past 12 months, DCTED provided financial assistance to 2,757 single adults and 8,655 families to help prevent evictions or to assist in moving from a shelter to an affordable rental unit. DSHS used the Additional Requirements for Emergent Need Program to assist 586 families per month to avoid eviction.

Table 5 - Summary of Program Assistance Provided to People who are Homeless

(Shelter and Services for People who are Homeless)

Source of Funds	2001 Funding	2002 Funding	Number of Units or Households Assisted	Other Funds Leveraged
ESGP (federal)	\$1,009,000	\$1,062,000	19,593	\$212,400
THOR (state)	\$2,276,668	\$2,278,604	669	N/A
ESAP (state)	\$4,986,250	\$4,977,386	42,064	\$5,000,000
Housing Trust Fund	\$6,719,134	\$9,149,305	699	\$38,046,428
Supportive Housing Program	\$1,894,794	\$1,413,094	1,143	\$1,403,000
TOTAL	\$16,885,846	\$18,880,389		

STRATEGY 2.

Continue operation and increase the supply of housing along the continuum of housing needs for agricultural workers. This includes seasonally and permanently occupied rental and ownership housing. Increase technical assistance and capacity of organizations to develop housing for farmworkers. Encourage a collaborative approach to developing housing for farmworkers among the private for-profit, private non-profit and public housing authorities.

Major accomplishments toward meeting the objectives of this strategy included:

- ❑ DCTED, in partnership with North Columbia Community Action Council, developed and built a demonstration site in Mattawa, which contained seven different construction types of housing for farmworkers. All of the structures in the project represent alternate forms of construction using new research and unique building technologies. The goal of this housing is to provide prototypes of farmworker housing for producers, growers, municipalities, nonprofit organizations and other entities.
- ❑ DCTED continued to work with a representative from the Washington Association of Counties to build partnerships at the local level for the development of farmworker housing.
- ❑ Progress continued toward meeting the need for short term housing for migrant workers who travel to Washington state in order to harvest a variety of crops, including cherries and apples. The Housing Trust Fund provided assistance to several farmworker housing projects in various geographic locations throughout the state.
- ❑ DCTED, in partnership with Chelan and Douglas Counties, continued to operate temporary housing for farmworkers in Oroville and Wenatchee. These camps use OSHA approved tents and trailers with supporting infrastructure and facilities for sanitation and cooking.
- ❑ DCTED provided funding for the Rent-A-Tent program, which was operated by North Columbia Community Action Council. The tents were used as temporary housing at on-site farms throughout the area. The infrastructure for these tents was established as part of a loan program funded from a HUD grant.

Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:

- 2.1 *(Maintain the current commitment of the Legislature to invest in farmworker housing and increasing funding by \$2 million) In spite of the limitations on the state budget imposed by decreased revenues, the Legislature maintained the funding levels for its 10-year commitment to invest in farmworker housing. 2001-2003 biennium funding levels are \$8 million for farmworker housing.*

- 2.2 *(Provide \$1.5 million in non-capital funds to assist in operating costs of farmworker housing, and establish an on-going revenue resource) The legislative proposal to collect a \$10-fee on recorded documents passed in the 2002 legislative session. It is anticipated that the fee will result in funding for the operation and maintenance of housing units serving households at or below 30 percent of the area median income, including farmworker housing.*
- 2.3 *(DCTED and AHAB will develop a long-range strategy for farmworker housing needs) Previously reported as completed.*
- 2.4 *(Continue to award additional points to projects proposing farmworker housing) The WSHFC continued to award additional points to tax credit projects proposing to develop farmworker housing.*
- 2.5 *(Pursue additional federal funding for farmworker housing) Washington State received \$1.75 million from a CDBG setaside in 2001, to fund infrastructure loans that enable growers to accommodate seasonal housing on their land, and to assist with operating expenses of non-profit owned, seasonal farmworker housing. These funds continued to be expended for infrastructure projects.*
- 2.6 *(Continue operation of the One Stop Center and work toward increased funding of infrastructure loans for growers) The One Stop Center continued to operate with financial assistance from the State General Fund. The One Stop Center provided technical assistance to growers when applying for loans for infrastructure improvements, and to develop seasonal housing units for their workers.*

Specific Performance Measures for 2002	
Measures	Accomplishments
200 additional units of housing will be created in 2001.	193 permanent housing units and 355 temporary beds developed.
The One Stop Center will respond to 45 calls per month from farmers/growers.	The One Stop Center has remained active throughout the year, responding to 748 calls for assistance in 2002.

STRATEGY 3.

Maintain and ensure continued housing options for persons with special needs including, but not limited to, frail elderly, children in foster care or group care placements and persons with disabilities.

Major accomplishments toward meeting the objectives of this strategy included:

- ❑ The Washington State Housing Finance Commission is a national leader in the HomeChoice program. This program provides down-payment assistance for applicants with a disability, or a dependent family member with a disability, who qualify for a conventional mortgage. Since HomeChoice began in 1996, the Commission has closed 273 of the 601 HomeChoice loans made countrywide—more than 45% of the national total. In 2002, the Commission financed 55 HomeChoice loans for people with disabilities. Twenty-five percent of the loans were made to borrowers earning 50 percent of area median income or less.
- ❑ The State Housing Trust Fund awarded \$550,000 to the Friends of Youth for two foster homes adding ten units of special needs housing for youth in King County. Three housing projects targeting people with chronic mental illness will receive \$2,125,437 creating sixty-one units of affordable housing in King and Walla Walla counties.
- ❑ The 2002 HUD McKinney homeless projects awarded \$349,000 to the Rural Continuum of Care, including a transitional housing project in Skagit County for youth 18-21—many of whom are aging out of the foster care system. A second project in Olympia increased essential services to improve the effectiveness of an existing permanent supportive housing project serving the disabled homeless.
- ❑ DCTED distributed \$608,000 in HOPWA funds to five regions of the state, serving primarily Whatcom, Skagit, Pierce, Kitsap, Thurston, Yakima, and Spokane counties. Over 400 people with HIV or AIDS received housing assistance.
- ❑ Progress is being made in developing additional units of housing for people with developmental disabilities. Eight projects were awarded \$5,317,718 creating ninety-three units for Developmentally Disabled clients.
- ❑ A new program called Housing Assistance for Persons with Mental Illness was launched in Pierce County. Authorized under RCW 82.14.400(5), a portion of the sales and use tax for the Pierce County Metropolitan Park District is collected to support community-based housing for low-income, mentally ill persons. DCTED distributed \$93,501 to six organizations in Pierce County. Three programs provided rental deposit assistance and three programs subsidized the operating expenses of housing for people with mental illness.
- ❑ A new effort to work with rural county continua of care consortia to promote the development of special needs housing was initiated through the Rural Continuum of Care. The initiative, which is aimed at expanding permanent housing for the homeless disabled, was launched through negotiations with Thurston County to develop a project serving the chronic disabled homeless. In 2002, the State Rural Steering Committee pre-committed 2003 HUD "bonus" funds for a permanent supportive

housing project and worked with the County to obtain technical assistance to plan the project.

Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:

- 3.1 *(Seek state funding for operating support of special needs housing) The 2002 Washington State Legislature passed SHB 2060 that requires county auditors to charge a ten-dollar recording fee on all recorded documents with the exception of those previously excluded from any fees. A portion of the revenue from the fees is deposited into the Washington Trust Account (Housing Trust Fund) and will go to support operating and maintenance costs of housing projects affordable to extremely low-income persons including special needs housing. This program is currently being implemented and results will be reported in the next CAPER.*
- 3.2 *(Encourage and facilitate the expansion of the HomeChoice program that provides homeownership opportunities for people with developmental disabilities) The Washington State Housing Finance Commission operates a House Key Extra program, funded through a grant from the Federal Home Loan Bank of Seattle. This program provides down-payment assistance for rural residents with disabilities or who have a dependent family member with a disability. The Commission provided 8 House Key Rural down-payment assistance loans totaling \$32,000 in 2002.*
- 3.9 *(Strengthen partnerships with local governments and the private sector to leverage more capital, operating and service dollars for special needs housing) The State Rural Homeless Continuum of Care entered into a partnership with Thurston County to initiate planning for a facility to serve the disabled chronic homeless. HUD McKinney funds were pre-committed to encourage the development. DCTED supported the development of local partnerships in the planning process through advocating for technical assistance funds to assist local developers. The project is expected to leverage local HOME funds for capital and operating costs.*
- 3.10 *(Create and strengthen partnerships ... to assist landlords and tenants in understanding their obligations under the Fair Housing Act) DCTED funded the printing and distribution of a booklet and video on fair housing, including information on housing rights and the eviction process. These materials were developed for advocates, family members, and friends of people with developmental disabilities.*

**Table 6 - Summary of Program Assistance Provided to
People with Special Needs***

Source of Funds	2001 Funding	2002 Funding	Number of Units or Households Assisted	Other Funds Leveraged
Housing Trust Fund	\$18,225,503	\$18,717,931	1,603	\$83,822,497
Developmental Disabilities	\$2,779,078	\$3,814,718	83	\$3,011,322
Home Choice Program	\$908,093	\$452,593	55	NA
Housing Opportunities for People with AIDS	\$556,000	\$608,000	401	NA
CDBG	\$171,203	\$70,000	10	\$1,200,471
Supportive Housing Program	\$397,364	\$206,598	16	\$135,400
TOTAL	\$23,037,241	\$23,869,840	2,168	

***Includes Housing Resources for Chronically Mentally Ill, Elderly, Youth, Homeless, Farm Workers, People with Substance Abuse, Persons with HIV/AIDS, Survivors of Domestic Violence.**

Specific Performance Measures for 2002	
Measures	Accomplishments
Develop or preserve 680 units of special needs housing.	Developed 1,686 (HTF and DD) units of special needs housing.
Establish a state-funded operating subsidy program for special needs housing within five years.	Document recording fee bill passed. Revenue generated from this source will help provide operating and maintenance subsidies for housing projects throughout the state.
Increase the number of applications from service providers who have partnered with experienced housing developers.	Four projects awarded Housing Trust Funds were from service providers who partnered with experienced housing developers. There was one project for survivors of domestic violence, two projects serving people with developmental disabilities and one project targeting homeless families with children.
Develop and disseminate a public information packet for neighborhoods to educate them on special needs housing by 12/31/01.	No specific action taken during the report period.
Identify and publicize incentives that have worked in communities to include special needs housing. Make this information available annually.	No specific action taken during the report period.

STRATEGY 4.**Preserve existing owner-occupied housing stock.**

Major accomplishments toward meeting the objectives of this strategy included:

- ❑ 4,626 homes received state or federal assistance for rehabilitation or weatherization.

Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:

- 4.1 *(Assist low- and moderate-income households to preserve single family, owner-occupied housing) During the 2002 calendar year, 2,414 owner-occupied single family homes were preserved, using a combination of state and federal weatherization funds and HOME Repair and Rehabilitation Program funds. An additional 653 homes were weatherized with utility and other resources leveraged through the Energy Matchmakers program. Services were provided through an established network of community-based non-profit organizations and local governmental agencies.*

Specific Performance Measures for 2002	
Measures	Accomplishments
Preserve at least 5,000 owner-occupied, single-family dwellings by investing in energy efficiency, health, safety, repairs and rehabilitation improvements.	4,626 units preserved by investing in energy efficiency, health and safety repairs, and rehabilitation with federal and state low-income weatherization funds, HOME Repair and Rehabilitation Program funds.

STRATEGY 5.

Preserve existing affordable rental housing units threatened with loss of expiring federal affordability requirements or deteriorating conditions.

Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:

- 5.1 *(Make a 10 year commitment to increase Housing Trust Fund resources including targets for preservation) Capital budget levels were maintained for State Fiscal Year 2003 (July 1, 2002-June 30, 2003) as part of the 2001-2003 Biennial Budget.*
- 5.2 *(Provide state and federal funds to preserve affordable housing that is at risk of conversion to market rate and is needed for current community needs) Non-profit organizations and Housing Authorities received \$2,361,455 during 2002 to preserve 637 units of HUD- and USDA-assisted housing. These funds were highly leveraged by other public and private funding.*
- 5.3 *(Continue to support a federal match for state and local funds to preserve HUD assisted units) DCTED is following progress on National Housing Trust Fund and continues to advocate support for the proposed legislation.*
- 5.5 *(Local Housing Authorities seeking state funds or support for HOPE 6 projects shall be required to submit a capital and resident relocation assistance plan and replacement housing plan) This is required as part of every Housing Trust Fund application.*
- 5.7 & 5.13 *(Collect information from owners of federally-assisted housing on expiring or prepayment of contracts. Monitor portfolio of HUD-assisted projects and expand to include USDA-assisted structures) A recently passed state law required that information on expiring Section 8 contracts be submitted to DCTED and to the affected tenants of the federally assisted housing project. DCTED forwarded this information from owners of federally-assisted housing projects to the Low Income Housing Network which maintains a database on expiration of Section 8 contracts and on properties at risk of sale or conversion to market rate. DCTED staff also participated in monthly telephone conference meetings with other organizations to monitor the portfolio of assisted units, and to identify issues and work on solutions.*
- 5.8 *(Require borrowers of state funds to continue Section 8 contracts for as long as the Congress and HUD make subsidies available, unless doing so jeopardizes project feasibility) The state requires this as a matter of course.*
- 5.9 *(Continue to urge HUD to use existing programs and implement regulatory changes needed to preserve federally assisted housing) DCTED continued to discuss this issue with the HUD Regional Office.*
- 5.15 *(In cooperation with the WSHFC, identify projects financed with Low Income Housing Tax Credits and work with local housing agencies to ensure no loss of affordable housing through conversion to market rate) DCTED staff worked with the WSHFC*

and other public funders to identify LIHTC funded projects whose regulatory agreements will end within the next few years.

Specific Performance Measures 2002	
Measures	Accomplishments
Assist in preservation of 500 units of federally-assisted housing.	637 federally-assisted housing units were preserved.

STRATEGY 6.

Increase the supply of housing affordable to renter households earning up to 80 percent of the area median income, targeting households earning less than 50 percent of the area median income.

Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:

- 6.3 *(Support rehabilitation and repair of existing rental units to increase safety and energy efficiency while reducing overall housing costs) The Housing Trust Fund and HOME Program assisted in rehabilitating 750 units of rental housing in 2002, slightly down from the 888 units rehabilitated in 2001.*
- 6.6 *(Support state enabling legislation providing local government with added revenue to capitalize local housing trust funds) Legislation in the form of SB 2060 was passed in the 2002 session of the legislature adding revenues which county government can use to capitalize local housing trust funds.*
- 6.7 *(Support an increase in the federal private activity bond cap for tax exempt bonds providing housing) The federal increase in the state's bond cap continued to result in the financing of additional projects, with a substantial portion of the available bond cap used for the development of affordable housing.*
- 6.8 *(Support an increase in the per capita tax allocation from \$1.25 to \$1.75) Reported as accomplished in 2001 with the passage of federal legislation. This increase will provide approximately \$3.1 million more per year starting in 2002, and will generate about 280 additional units a year.*

Specific Performance Measures for 2002	
Measures	Accomplishments
1,600 rental units will be developed.	884 rental units were constructed in 2002.
200 units will be rehabilitated and/or repaired.	750 units were rehabilitated in 2002.

STRATEGY 7.

Provide and expand homeownership opportunities for households earning between 31 and 80 percent of the area median income.

Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:

- 7.1 *(Make a 10-year commitment to increase Housing Trust Fund resources, including targets for preservation) Capital budget levels were maintained at appropriated levels during the 2002 legislative session.*
- 7.2 *(Provide down payment assistance in partnership with the Washington State Housing Finance Commission, lenders and non-profit organizations to assist first time homebuyers to purchase homes) The HTF expanded the number of rural areas included in the downpayment assistance partnership with the Washington State Housing Finance Commission. The HTF provided downpayment assistance to additional non-profit organizations to assist first time homebuyers.*
- 7.5 *(Provide support to organizations that offer sweat equity and self-help opportunities to households who earn up to 80 percent of the area median income to reduce the costs of purchasing a home) The HTF provided technical assistance to three Habitat for Humanity projects and funded two non-profits that provide self-help opportunities for homeownership.*
- 7.10 *(When appropriate, encourage the conversion of Section 8 rent subsidies to assist eligible families as home ownership subsidies-toward payment of principal and interest-taking into consideration any unmet need for rent subsidies) The HTF provided technical assistance to help two Housing Authorities establish a homeownership program using Section 8 vouchers.*
- 7.11 *(Encourage the availability of manufactured housing as a consumer choice) DCTED staff maintained relationships with local building officials through consistent participation in co-sponsored projects and quarterly WA Association of Building Official meetings, and through provision of technical assistance to local inspectors who are responsible for inspecting manufactured home installations.*
- 7.12 *(Work with partners to improve consumer education and disclosures about lending practices) DCTED staff participated in the Seattle King County Coalition for Responsible Lending. This organization collectively developed a media campaign to promote public awareness of predatory lending practices.*

Specific Performance Measures for 2002	
Measures	Accomplishments
Assist 130 first time homebuyers with down payments.	The HTF awarded funds to assist 116 first time homebuyers.
Assist 50 units of housing created by "sweat equity" programs.	Created 16 units.
Beginning in July 2001, work with the Washington Manufactured Housing Association and local jurisdictions to develop a plan to increase manufactured homes in single-family neighborhoods. (new revenue required)	No specific action taken during the report period.
Work with legislative committees and stakeholders to identify legislative changes available to improve manufactured home purchase packages.	No specific action taken during the report period.

STRATEGY 8.**Preserve manufactured housing communities and enhance their stability.**

New activities in the Office of Manufactured Housing have been limited due to the falling sales and shipment of manufactured homes, the sole source of revenue for the Office.

Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:

- 8.2 *(Provide relocation assistance to park residents when their communities close)* Pending a new revenue stream to begin in January 2003 from successful 2001 Mobile Home Relocation Assistance Act legislation, the fund continued to be disbursed in 2002. It was depleted in June 2002 and all 2002 applicants were reimbursed for the costs they spent to relocate their homes.
- 8.3 *(Establish on-site consultation, mediation, problem-solving, and referral to enhance the long-term housing relationships in manufactured housing)* Provided CDBG assistance to Lewis County to assist the County in working with the landlord to resolve long-standing health and safety issues at a 68 unit mobile home park in deteriorated condition. State DCTED encouraged the County to become involved in working on mitigation plans. Labor and Industries staff provided inspections teaming with county building officials and the county administrator to improve conditions at the park and to assist families required to move as a result of health and safety issues.
- 8.5 *(Provide statewide manufactured housing community manager training, certification and technical assistance)* Legislation to establish a community manager training and certification program was proposed in 2002 but failed to pass. While formal training and outreach were not feasible due to decreasing revenue for staff resources, joined the newly formed Education Advisory Committee established by Manufactured Housing Communities of Washington. The Committee reviewed DCTED landlord-tenant complaint data and recommended class curriculum topics for the community owner's statewide training course. Stability in manufactured housing communities was enhanced through staff involvement with over 600 requests for assistance from residents. Technical assistance, coaching, problem-solving and educational material were provided to help improve landlord-tenant relationships.

Specific Performance Measures for 2002	
Measures	Accomplishments
Develop and request DCTED-sponsored relocation assistance legislation for the 2001 legislative session.	Measure met. DCTED successfully supported new legislation creating revenue for the relocation program.
Formulate report method and create database to manage local zoning data collection by July 2001.	No progress due to lack of revenue.
Provide relocation assistance from existing sources to 30 owners.	Relocation Assistance was provided to all 4 applicants in 2002.

STRATEGY 9.

Provide technical support to help communities with limited staff and resources, to develop cost-effective and competitive housing projects.

Major accomplishments toward meeting the objectives of this strategy included:

- ❑ DCTED provided formal technical assistance through a contract with Impact Capital. Impact Capital developed a program designed to increase the capacity of non-profit housing developers to develop low-income housing in rural areas of the state. The program, using funding from DCTED, is currently assisting up to six organizations for three years (well on pace with the goal of providing assistance to twelve organizations within three years). An outcome measure of this program will be an increased number of housing units in rural areas of the state. Coordinated with Common Ground, a non-profit technical assistance provider, to focus their "Sustainability" initiative in order to build capacity in rural areas.
- ❑ DCTED staff provided technical assistance to Housing Trust Fund applicants. Staff met on-site with non-profit organizations that have been awarded funding under the Housing Trust Fund, to discuss contract terms and the development process.
- ❑ DCTED provided technical assistance through a consultant contract to five new homeless projects focusing on the smaller, rural areas of the state (through the State Rural Homeless Continuum application process), resulting in all receiving HUD funding in 2002.

Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:

- 9.1 *(Continue to provide technical assistance through a demand-response program) Although the Housing Resource Team no longer exists as such, Impact Capital, Common Ground, Northwest Regional Facilitators and RCAC provide pre-development technical assistance at a statewide level. DCTED extended the contract with Common Ground to provide technical assistance to specific projects and to provide training to applicants on the Operating and Maintenance Fund, a new DCTED program.*
- 9.2 *(Continue funding for the One-Stop Development Center to promote development of Farmworker Housing) Funding for the Center was continued in 2002. The Center has responded to an average of 62 calls per month. From January 2002 through December 2002, the One Stop Center received 748 calls from growers and agencies.*
- 9.7 *(Sponsor regional and statewide workshops and conferences in collaboration with the WSHFC and other appropriate state and local agencies) DCTED co-sponsored the Housing Washington Conference in October 2002 with the Washington State Housing Finance Commission and the Low Income Housing Congress. The conference attracted more than 700 participants, a 40% increase over the previous year.*

Specific Performance Measures 2002	
Measures	Accomplishments
Provide technical assistance through the Housing Resource Team (HRT).	Technical assistance is now provided by Impact Capital. Six organizations receiving assistance over next three years.
Provide two targeted workshops.	Provided 4 workshops statewide to provide information to non-profits about the HTF Handbook and Application.
Co-sponsor annual housing conference with WSHFC.	Co-sponsored statewide Housing Conference with WSHFC.

STRATEGY 10.

Provide leadership and incentives to developers and lenders, for increasing opportunities for African-American, Hispanic and Native American households to become homeowners.

- 10.1 *(Work with lenders to develop general information in multiple languages on the requirements of the home buying process, including how credit is reported, analyzed and other requirements for financing the purchase of a home) DCTED staff participated with the Community Homeownership Center (CHOC) Board to provide homebuyer information in 3 East African languages and to update 4 Asian languages.*
- 10.2 *(Work with the Housing Finance Commission and other organizations that provide first time homebuyer education to develop information on the Fair Housing Act to include in educational programs) DCTED staff collaborated with the CHOC Board to update and disseminate information on the Fair Housing Act with their first time homebuyer packets.*
- 10.3 *(Provide information through annual updates on locations and services of first time homebuyer programs and lenders with special programs for non-English speaking buyers) CHOC participated in non-English speaking homebuyer fairs in several areas in 2002 including Tacoma, Kitsap County, Whatcom County, Skagit County, and South King County.*

Specific Performance Measures for 2002	
Measures	Accomplishments
Publish and disseminate a booklet on the requirements of the home buying process, and other requirements for the purchase of a home, in December 2001. Publish the information in multiple languages.	The Community Homeownership Center (CHOC) provided homebuyer education information in three additional East African languages.
Include Fair Housing Act information in all first-time homebuyer education programs on a consistent basis.	All Fair Housing Act information was updated to include information about predatory lending practices.
Annually publish a schedule with location and services of first-time homebuyer programs for non-English-speaking buyers.	The Housing Finance Commission and CHOC provided non-English speaking information at six homebuyers fairs.

STRATEGY 11.

Coordinate Low Income Housing Tax Credit (LIHTC) with development of housing affordable to low-income and moderate-income families.

Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:

- 11.1 *(Participate in WSHFC-convened focus groups to discuss revisions to allocation criteria for LIHTC program) DCTED staff attended and participated in focus groups and public hearings discussing revisions to the allocation criteria for 2003 LIHTC program.*
- 11.2 *(Support increase in tax credit per capita cap) Completed on January 1, 2001, Congress approved an increase in the tax credit per capita from \$1.25 to \$1.75. This hike provided approximately \$3.1 million in additional funds in 2002, and will generate about 280 additional units each year.*
- 11.3 *(DCTED Director's Office will continue to participate as voting member of WSHFC Board) Assistant Director and director attended all WSHFC board meetings as voting members of the Board.*
- 11.4 *(All applications submitted to WSHFC will be consistent with the state or local Consolidated Plan) All WSHFC applications received a state certificate of consistency where the state Consolidated Plan was in effect (outside of entitlement jurisdictions).*
- 11.6 *(DCTED will continue to include WSHFC staff on HTF application review panels) WSHFC staff participated in the Spring and Fall 2002 HTF funding round reviews.*
- 11.7 *(DCTED and WSHFC will continue concurrent funding rounds and coordinate application requirements where feasible) DCTED required market studies to support project applications to the HTF. DCTED used market study guidelines and analysts approved by the WSHFC.*
- 11.8 *(DCTED and WSHFC will cooperate to share compliance monitoring with LIHTC and HTF/HOME funds where feasible) Under a Memorandum of Understanding, DCTED and WSHFC monitoring responsibilities for projects where both organizations have invested funds.*

Specific Performance Measures 2002	
Measures	Accomplishments
Establish shared monitoring plan by July 2001.	Achieved. Shared monitoring continues to occur in all projects in which both organizations have invested.
Include staff from WSHFC in two Housing Trust Fund application review rounds (Spring and Fall 2001).	Achieved. WSHFC participated in the review of spring and fall 2002 round of HTF applications.

Goal II. Promote Housing Opportunities that Contribute to the Development of Healthy, Sustainable Communities

STRATEGY 1.

Create increased homeownership and rental housing opportunities for households earning between 80 and 120 percent of the area median income—in areas of rapidly increasing growth or high market areas, and households earning 100 percent of the area median income in rural and Eastern Washington areas.

Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:

A total of \$321,000,000 in state financing was invested in assistance to low- and moderate-income renters and homeowners in 2002 under eleven programs operated by state agencies.

- 1.1 (Increase Washington State's homeownership rate to national average) In 2000 Washington State's rate was 65%, three percent lower than the national average. The Washington State Housing Finance Commission continued to work closely with partners statewide to create as many homeownership opportunities as possible within available resources. An important part of this effort is education. The WSHFC trained 252 lenders, real estate professionals and representatives of nonprofit organizations to teach Homebuyer Education Training classes. These professionals taught 11,109 prospective homebuyers in 918 seminars held throughout the state.*
- 1.6 (Support development of programs which encourage employers to assist employees in acquiring affordable housing) New in 2002, the Washington Housing Finance Commission offered a first mortgage program for full-time employees of K-12 public and private schools. Created in partnership with Fannie Mae, this combines highly flexible qualifying features and low down-payment requirements with the interest rate advantage of the WSHFC's House Key program. This program represents a national effort to keep teachers in the profession by helping them afford to buy homes in the community they work in.*
- 1.8 (Develop a coordinated statewide investment strategy that includes infrastructure, housing and economic development activities dispersed throughout lessor populated areas of the state) Washington State received \$1.75 million from a CDBG setaside in 2001, to fund infrastructure loans that enable growers to accommodate seasonal housing on their land, and to assist with operating expenses of non-profit owned, seasonal farmworker housing. These funds continued to be expended for infrastructure projects.*
- 1.15 (Encourage projects that create mixed income housing) The Washington State Housing Trust Fund supports the important role mixed income and mixed-use projects have in meeting and sustaining successful affordable housing projects. Two examples of these models are the Seattle Chinatown International District Village Square Phase 2 project and the Esther Short Commons project in Vancouver. The*

Village Square Phase 2 project will not only provide 57 units affordable to households at 50% of area median income or lower, but it will have a branch of the Seattle Public Library, a community recreation center, and retail/commercial space. The Phase 2 project will be across the street from the Phase 1 project that has assisted and senior living, a childcare center and a health clinic. The Esther Short Commons project will have 139 units affordable to households at 60% of area median income or lower, 21 market rate units, and more than 20,000 sq ft of commercial space.

STRATEGY 2.

Work with jurisdictions throughout the state to ensure that urban densities and affordable housing goals described in local comprehensive plans are achieved. Establish benchmarks to measure progress.

This particular objective will be a focus in the coming 2-3 years as the Buildable Lands Program will require the six largest counties to track building data from 1995, to determine if density goals are being achieved. The initial results from reports of the six counties reveals that progress has been made in moving toward desired density goals, and that specific actions by communities to encourage appropriate densities are being taken by a wide variety of jurisdictions.

Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:

- 2.1 *(Provide incentives for jurisdictions to re-zone for higher densities) One of the goals of the Growth Management Act (GMA) is to encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner. When local governments sent in amendments to their comprehensive plans and development regulations to DCTED during CY 2002, state planners review these to determine if urban densities are being achieved in urban areas. Densities of at least four units per acre in urban areas are encouraged.*

The state has a new program to determine whether local governments in the fastest growing counties are achieving urban densities. The first results of the program became available in 2002.

The Buildable Lands Program was adopted as an amendment to the GMA in 1997. It is a review and evaluation program aimed at determining if six Western Washington counties (Clark, King, Kitsap, Pierce, Snohomish, and Thurston counties) have an adequate amount of residential, commercial, and industrial land to meet the growth needs spelled out in their GMA comprehensive plans.

The report shows some progress. In Pierce County, densities of more than 4 dwelling units per acre are being achieved and a trend towards even higher densities appears to be occurring as the county's GMA policies take effect. An analysis of density trends in urban King County shows a movement toward greater density in residential land is taking place. On the regional level, the Puget Sound Regional Council reports that 82 percent of permitted new housing units are occurring within the region's designated urban growth areas.

Growth Management Services provides technical assistance to local governments to help them determine ways urban densities can be achieved in urban areas.

- 2.2 *(Create a slide show of successful community design stories for public education to educate communities about possibilities) Growth Management Services maintains a photo library of slides and photos. The slides are available to state planners when*

they make presentations to local governments. The collection contains slides of good urban design, traditional residential development, and historic preservation.

Growth Management Services hired a senior planner with expertise in architecture and urban design in 2002. She is collecting examples of good design and will develop PowerPoint presentations to offer to local governments.

DCTED is developing an interactive Web site that shows completed housing projects that meet criteria for an affordable and attractive high density residential project in an urban growth area. The Web site will provide a central source of information and a basis for DCTED technical assistance to local governments, housing developers, housing financiers, and others. A consultant was hired in 2002, and the project will be completed by June 30, 2003.

- 2.3 (Create model ordinances and design guidelines to implement them) Growth Management Services staff held discussions on accessory dwelling units and criteria that should be used when developing ordinances for accessory dwelling units in rural areas.*
- 2.4 (Ensure that the housing elements of comprehensive plans clearly describe housing targets, density targets, jobs-housing balance goals, and the actions being taken to meet those targets and goals) Growth Management Planners review local governments comprehensive plans and regulations in these specific areas. In 2002, Growth Management Services received one new comprehensive plan containing a Housing Element from Lyman and one amendment to a Housing Element from Seattle.*
- 2.5 (Create a monitoring mechanism and actively monitor housing production and the degree to which affordable housing targets are being met) No state system for monitoring affordable housing production has been established. However, on the local level, some communities are monitoring their progress. For example, King County has a benchmark program that contains an affordable housing indicator. The 2002 King County Benchmark Report shows that 11 out of 14 South King County cities met their target for housing affordable at 50-80 percent of median income. Outside the South County subarea, only Seattle, Enumclaw, and Skykomish reached this target.*
- 2.6 (Increase outreach to local jurisdictions to identify income-producing properties on the National Historic Register and encourage the use of the historic tax credit for preservation funding) DCTED's Office of Archeology and Historic Preservation maintains a goal of promoting tax incentives for preservation.*

Goal III. Fair Housing: Affirmatively Further Fair Housing in Washington State

STRATEGY 1.

Align state housing administrative policies and practices to further fair housing choice.

- 1.2 *(Strengthen monitoring of contractor compliance to affirmatively further fair housing)*
The Compliance and Asset Management Section in DCTED monitored 150 projects for compliance with Fair Housing requirements, applying the HUD HOME Program Monitoring Guidelines for all housing projects funded through DCTED's Housing Division. Among the areas covered were contractor data requirements, equal employment practices, complaints, affirmative marketing policies and outreach efforts.

Specific Performance Measures for 2002	
Measures	Accomplishments
Disseminate management handbook to grantees in all Housing Finance Unit programs, on how to affirmatively further fair housing by June 2001.	No specific actions taken during the reporting period.
Explore ways to strengthen monitoring system to assure contractor compliance with affirmative housing obligations in Housing Finance Unit programs, by June 2001.	No specific actions taken during the reporting period.
Work to establish an interagency fair housing workshop and convene the first meeting by June 30, 2001.	No specific actions taken during the reporting period.

STRATEGY 2.

Take a pro-active role in helping local governments define ways to site special needs and affordable housing.

Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:

2.1 (Assist local governments to develop plans and regulations that provide for reasonable siting of necessary group care housing such as incentives to neighborhoods to include special needs housing including incentives for communities to include special needs housing such as reduced sales tax burden, TDR benefits, acceleration of regulatory review, and inclusionary zoning) Growth Management Services' planners review local comprehensive plans to determine if they contain language that excludes group homes and other special needs housing from residential areas. If such language exists, local governments are advised that they are in conflict with the laws and are encouraged to amend their draft regulations. In 2002, local governments continued to improve the language in their ordinances and comprehensive plans related to the siting of special needs facilities as they have since the GMA was passed in 1990.

Under the GMA, local governments are required to review, and if necessary, update their comprehensive plans and development regulations every seven years to ensure that they are in compliance with the act. In 2002, Growth Management Services prepared materials, including technical bulletins and checklists, to assist them in preparing for their review and update. Items on special needs housing have been included in the review checklist.

Part of Growth Management Services' technical assistance efforts is to provide grants to local governments. Two local governments that were working on housing issues in 2002 include: Spokane, City – \$60,000: Review and modify development regulations, including provisions for accessory dwelling and affordable housing units. Spokane, County – \$75,000: Carry out the comprehensive plan through the development of mixed-use regulations, traditional neighborhood development regulations, and design review standards.

STRATEGY 3.

Provide training to state agencies, local government, and housing service providers in fair housing laws, with special emphasis on laws requiring reasonable accommodation for people with disabilities.

Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:

- 3.1 *(Provide periodic training to state agency staff on ADA requirements) The Washington State Human Rights Commission will continue to provide periodic training for state agency housing and community development staff on Americans with Disability Act (ADA), in order to recognize application of the law and provide appropriate referrals.*
- 3.2 *(Provide periodic training to nonprofit and other housing groups on ADA requirements) DCTED printed and widely distributed a Fair Housing Booklet on housing rights and the eviction process. These materials were developed for advocates, family members and friends of people with developmental disabilities. In addition to the handbook, DCTED funded the cost of duplicating a 3-hour video of a workshop given in relation to the Handbook.*

Specific Performance Measures for 2002	
Measures	Accomplishments
Hold two training sessions on the ADA for state agency staff and housing contractors.	No specific action taken during the reporting period.

STRATEGY 4.**Work with landlords to accept Section 8 vouchers.**

Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:

4.2 (Break down negative attitudes relating to Section 8 and other rental assistance programs by providing outreach and education to realtor and property management organizations and firms) DCTED contracts with the Low Income Housing Network to collect and report information about federally-assisted housing, and to educate tenants, landlords, housing providers and public officials about this housing. As part of their Section 8 preservation work, LIHN asks building owners that are terminating their contracts with HUD for project-based assistance, if they will accept tenant-based vouchers for tenants who wish to remain in the buildings. LIHN contacts the local housing authority to make sure that tenants are educated on their rights to vouchers when a building owner opts out of the program.

Specific Performance Measures for 2002	
Measures	Accomplishments
Make presentations to major statewide realtor groups by December 2001.	No actions taken during the reporting period.
Include fair housing topics in most or all state-sponsored housing conferences or forums on an annual basis.	Planning continues on workshop topics that will be presented at the 2003 Washington State Coalition for the Homeless Conference in Vancouver. Landlord/tenant and other fair housing workshops are planned.

STRATEGY 5.

Work with the lending community to reduce the incidence of abusive lending or predatory lending in low-income and minority neighborhoods.

Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:

- 5.1 *(Meet with lenders and organizations that assist homebuyers to identify ways of reducing predatory lending) Specific goals for public education on issues of predatory lending were established by the Seattle/King County Coalition for Responsible Lending, a recently formed group of interested agencies, government, non-profits, and banks. Committees were assigned for the development of materials on predatory lending and marketing of these materials to the public.*
- 5.2 *(Provide education on financing to homebuyers to prevent incidents of predatory lending.) Community Homeownership Center (CHOC) provides information to homebuyers on predatory lending. State staff collaborated with the City of Seattle on potential programs to educate homebuyers on predatory lending practices and measures to avoid default on existing home loans.*

Specific Performance Measures for 2002	
Measures	Accomplishments
Meet with lenders and housing providers to identify ways to limit predatory lending practices.	Goals were established by the King County Coalition for a public education campaign. Curriculum and marketing strategies were formulated.

Goal IV: Remove or Mitigate Negative Effects of Policies that Serve as Barriers to Affordable Housing

STRATEGY 1.

Work with local jurisdictions to change zoning to (a) allow placement of manufactured housing in all single-family neighborhoods, and (b) increase opportunities for preservation and establishment of manufactured-housing communities.

This strategy has been stifled due to a lack of budgeting available to undertake the specific initiatives.

Specific Performance Measures for 2002	
Measures	Accomplishments
Beginning July 2001, work with the Washington Manufactured Housing Association and local jurisdictions, to develop a plan to increase manufactured homes in single-family neighborhoods.	<p>Due to decreasing revenues, formal efforts to coordinate with WMHA and local jurisdictions did not begin in CY 2002. However, successful relationships with local building officials continued and are being sustained through:</p> <ul style="list-style-type: none">• Consistent participation in co-sponsored projects and quarterly WA Association of Building Officials meetings.• Providing technical assistance to local inspectors who are responsible for inspecting manufactured-home installations.

STRATEGY 2.

Support local efforts to streamline building permit review and approval processes, to reduce time required to process, in order to minimize development time and costs associated with project review and permitting.

Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:

2.1 *(Assist local jurisdictions to pre-permit sites to make them housing ready) Growth Management Services funded a study on SEPA/GMA integration called "SEPA and the Promise of the GMA: Reducing the Costs of Development". The study developed a model to determine the benefits of SEPA/Integration. Using the model, it was determined that nine of the 15 local governments studied have produced more than \$500 million in new investment in their communities through this integration process.*

2.2 *(Urge local governments to provide opportunities for early cooperative interaction between developers, local governments, and interested citizens so specific code issues can be addressed before projects are initiated)*

Some local governments have established permit review targets, in terms of numbers of days it takes to process specific types of permits.

The Washington State Association of Counties and Association of Washington Cities conducted surveys on permit issuance times. The 16 counties that responded had average permit issuance timelines less than 120 days, while some were substantially less. The average permit issuance time for residential building permits was 17 days, and the average for land divisions was 57 days. Of the 11 cities that responded, most were meeting the 120-day deadline most of the time.

The Department of Ecology has been working with a stakeholder group to develop a non-project review form that provides guidance for developing environmental analysis in conjunction with the comprehensive planning process.

2.4 *(Work with local governments to expand outsourcing of code review processes when backups occur and to use management techniques to enhance predictability, coordination, and certainty to the permit process) Part of Growth Management Services' technical assistance effort involves work with local governments on regulatory reform, including permit streamlining. Planners meet with local government representatives on a regular basis to discuss important issues, including consistency and predictability in permit processing.*

2.5 *(Work with local governments to assure emphasis on consistency, fairness, and transparency of both code review and subdivision (infrastructure) development process) One of the goals of the GMA is that applications for both state and local government permits should be processed in a timely and fair manner to ensure predictability. In addition, permit streamlining is encouraged by Washington state's regulatory reform laws. Through its technical assistance program, Growth Management Services encourages local governments to meet the stated goals.*

Some examples at the local level on permit streamlining and regulatory reform include:

- The City of Tacoma guarantees that developers will get their commercial building permits in eight weeks or less – or their money back. Developers are partnered with an internal team that works on the project at every phase. The city had to give the money back on just two permits in 2002.*
- The City of Tacoma has a simplified zoning code for its downtown. The code has been reduced from 70 pages to about seven.*
- The City of Renton revised several ordinances to modify development regulations to redevelop its downtown.*
- The cities of DuPont and Sumner have revised their development regulations to allow "neotraditional" development with narrow streets, increased densities, and alleys in the back of homes.*
- The City of Mercer Island revised its Town Center design standards to allow new mixed-use projects add height to buildings in exchange for quality design amenities, no density limitations, and a flexibility of design with options and choices for a wide variety of pedestrian amenities.*

STRATEGY 3.

Partner with federal and local governments to implement Endangered Species Act (ESA) standards to expedite review and approval process.

Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:

- 3.1 *(Work with affected jurisdictions to coordinate checklists for determination of project effects) The Growth Management Unit continued to provide technical guidance documents and workshops on the use of these environmental analysis tools. GMU continued a series of case studies on the use of these programmatic environmental analysis tools, to identify and remove potential obstacles of their use, if possible*
- 3.2 *(Work with jurisdictions and developers to identify and encourage project development in areas likely to have no effects on endangered species determinations) Continued efforts to coordinate ESA-related review with local governments and develop ESA review tools for rural areas.*

Specific Performance Measures for 2002	
Measures	Accomplishments
Collaborate with HOME participating jurisdictions to develop a checklist for non-participating jurisdictions.	Continued efforts to coordinate ESA-related review with local governments and develop ESA review tools for rural areas.

STRATEGY 4.**Allow any degree of renovation to existing housing.**

Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:

4.1 *(Work with local jurisdictions to allow any degree of renovation that is consistent with safety, short of compliance with the full code) Through its technical assistance efforts, Growth Management Services encourages local governments to find ways to make development more predictable. Following are some methods local governments are using to simplify the building code process:*

- *The City of Port Townsend is using a “smart code” approach to facilitate the rehabilitation of the city’s many historic commercial buildings. The city received a grant of \$35,000 growth management grant to evaluate the effect of existing building codes on rehabilitation projects.*
- *In the City of Walla Walla, property owners have been willing to make good historic preservation decisions and follow design standards recommended by the Downtown Walla Walla Foundation in large part because the Walla Walla Planning Department has worked diligently to make it easier and cost effective for them to do so. The city has adopted the Uniform Conservation Building Code.*
- *The City of Seattle approves a single exit option for residential structures, with accompanying safety measures.*
- *The City of Bellevue is one of a growing number of cities that allow five stories of wood-framed construction for apartments and condos to be built over a concrete base.*

4.3 *(Convene an advisory group to evaluate how and under what circumstances the building code can be relaxed) DCTED has developed a housing pilot project program designed to demonstrate that commercially viable affordable housing for low- and middle-income residents can be built inside designated urban growth areas. The goal of the program is to encourage affordable and attractive high density residential projects in urban growth areas through the provision of good information and good examples of projects that can be replicated to other housing projects - i.e. commercially viable products that are affordable to both the residents and to the taxpayers that pay for the infrastructure. There are two components to the program: (1) an inventory and discussion of existing completed projects to be posted on a web site; and (2) four demonstration development projects.*

Pyatok Architects has been hired to develop an inventory and discussion of existing completed projects that meet criteria for an affordable and attractive high density residential project in an urban growth area. The inventory will be posted on a DCTED interactive web site. The web site will provide a central source of information and a basis for DCTED technical assistance to local governments, housing developers and housing financiers.

Funding is being provided for planning and/or construction costs for four development projects to demonstrate that commercially viable affordable and attractive high density residential projects can be built within urban growth areas.

The projects represent a diversity of development types, including high density multi-family over a public parking lot (currently a Park and Ride), multi-family housing in a designated urban center with adjacent mixed-use and transit, cottage housing on small isolated lots, and condominiums in an area of steep slopes. The cities and county have demonstrated a willingness to suspend development requirements in favor of performance standards for these projects. They have also made a commitment to conduct a public process to consider land use/zoning changes to policy and regulatory provisions, including public works standards and parking requirements that would have limited the developers' ability to construct these projects.

Goal V: Enhance Coordination

STRATEGY 1.

Enhance coordination between public and assisted housing providers, and private and governmental health, mental health, and service agencies.

- ❑ DCTED sits on boards and commissions of other organizations such as the Washington State Housing Finance Commission and the Washington Community Reinvestment Association, which serves to foster information sharing, collaborative action, and unified advocacy.
- ❑ DCTED staff continued to be represented on the State Mental Health Advisory Committee.
- ❑ DCTED provided staff assistance to the Washington State Advisory Council for the Homeless, the State Rural Continuum of Care Steering Committee, the Washington State Advisory Council on Affordable Housing and the Policy Academy. These four organizations provide critical information to the Governor on affordable housing and homeless policy, plan for the needs of the rural homeless and review policies on the delivery of social services to the homeless.
- ❑ The Housing Trust Fund participated in a public funders' group that is composed of managers from local government and other public funding organizations. This group works to problem-solve issues relating to housing policy and financing. Since housing projects typically have more than one funding source, government entities have recognized the benefits of developing policies and processes that work well with each other, rather than in isolation.
- ❑ DCTED coordinated monitoring activities with the City of Seattle, King County, and the Washington Housing Finance Commission through written agreements. Approximately 10% of monitoring visits are eliminated, reducing staff time and resources for both public funders and the contractor. This year, the group also began coordinating one annual report for properties with multiple funders, instead of one report per funder.
- ❑ The DSHS/DCTED collaboration with Developmental Disability (DD) and housing programs continued to be successful. All but one of the projects applying to the HTF received an award. The success rate for DD projects are among the highest in the special needs housing category.

Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) include:

- 1.1 (DCTED will develop a plan for homeless families with children in coordination with DSHS) Completed. Update will take place in 2003.*

- 1.2 *(DCTED will work with DSHS to identify a funding source for operating and maintenance support for projects for people with developmental disabilities) DSHS continued to pledge supportive services for housing projects serving developmentally disabled people.*
- 1.9 *(DCTED will work with public housing authorities to ensure PHA plans are consistent with the State Consolidated Plan) DCTED reviewed several Public Housing Authorities' 5-year plans to assure they were consistent with the state's Consolidated Plan.*
- 1.11 *(DCTED and DSHS will coordinate to secure additional federal rental vouchers for persons moving from welfare to work) Five Housing Authorities were designated as Welfare-to-Work agencies in Washington State. They are Spokane Housing Authority, Bellingham, Snohomish, King and Seattle. Housing Authorities with this designation are allowed to operate under flexible HUD rules enabling them to use their rental vouchers in innovative ways.*

B. Homelessness—Toward a Continuum of Care

A number of significant steps were taken in 2002 to increase effective coordination among groups planning for the needs of homeless in the state. DCTED played a key role in many of these efforts. DCTED continued to work with other state agencies, local governments, the Washington State Coalition for the Homeless, and other public and private funders to provide a continuum of services for people who are homeless, to further develop resources for programs that make a difference, and to help shape a comprehensive strategy for ending homelessness in our state.

Last year, DCTED, the Department of Social and Health Services and key state leaders participated in a Homeless Families Policy Academy sponsored by the Department of Housing and Urban Development and the Department of Health and Human Services. Members of the Policy Academy formulated strategies in four priority areas and began to undertake the tasks identified in each priority area. Accomplishments of the Academy include educating the Legislature on homeless issues and on the need for program support. Policy Academy members made two presentations to the House Committee on Children and Family Services to further elevate the issue of homelessness. Work continued on a new Executive Order that will re-affirm the Governor's commitment to ensuring that mainstream resources are utilized creatively, in order to prevent homelessness and to expedite families out of homelessness and into successful long-term housing. To dispel myths and disseminate the realities of the cost of homelessness, the Academy produced and widely distributed a fact sheet that profiled homeless families served by shelters in Washington State. The Office of Superintendent of Public Instruction successfully trained homeless education liaisons in every school district of the state on their new responsibilities under the McKinney-Vento Act. The Policy Academy continued to take active steps to meet the priority needs of homeless families with children. Next year they anticipate expanding their plan to encompass strategies on ending chronic homelessness.

Important progress has been made toward implementing a Homeless Management Information System (HMIS) throughout Washington State. The system will provide local and state homeless planners and coordinators with accurate data on the needs of the homeless who come into community shelters and transitional facilities. A limited testing pilot was launched in April 2002 in Thurston County. The pilot helped DCTED refine the system based on end-user feedback. DCTED anticipates using the HMIS to conduct a point-in-time homeless count in Thurston County, and plans to use the HMIS to conduct point-in-time counts throughout rural Washington in 2003. Other urban continua in the state will be invited to use the system and to participate in the homeless count.

DCTED remained an active partner in the Sound Families Program—a Bill and Melinda Gates Foundation Initiative. The Initiative is increasing the supply of transitional housing for homeless families in King, Snohomish and Pierce counties. Senior management in the Department and the Housing Division served on the Steering and Credit committees of this program providing input and feedback on housing and services projects in the tri-county area.

Other notable events and activities in 2002 were:

Emergency Shelter

- The Emergency Shelter Assistance Program (ESAP) helped provide 1,214,490 bednights of shelter.
- The Housing Trust Fund (HTF) awarded \$3,416,278 to three programs that will add 342 units of shelter in Seattle and the city of Spokane.

Transitional Housing

- In 2002 HUD awarded over \$1.4 million to the Rural Continuum of Care for 14 transitional housing and services projects serving rural Washington.
- The state funded Transitional Housing, Operating and Rent Assistance (THOR) program served 669 families statewide.
- The HTF awarded \$7,560,838 to 14 projects that will add 263 units of transitional housing across the state.

Permanent Housing

- The HTF awarded \$2,050,000 to the Morrison Hotel project in Seattle that will provide 190 units of permanent supportive housing.
- HTF awarded another \$2,125,437 to three projects that will create 61 units of affordable, permanent housing for persons with persistent mental illness.

Systems Development

- Ten Continuum of Care planning groups remain active in the state, including the State Rural Continuum that covers 24 rural counties.
- DCTED used federal Emergency Shelter Grants Program (ESGP) funds to supplement and extend emergency shelter services in areas that do not receive a direct HUD grant. Administration of ESGP is integrated with the state's ESAP.
- DCTED annually sponsors a homeless conference organized by the Washington State Coalition for the Homeless. Numerous training workshops and opportunities for networking are offered. In 2002, 285 people attended the conference.

C. OTHER SUPPORTIVE ACTIONS

I. Lead-Based Paint Plan

STRATEGY 1.

Evaluate and reduce, as well as educate residents and workers about, lead-based paint hazards in housing, and in receiving state and federal assistance.

Major accomplishments toward meeting the objectives of this strategy included:

The Housing Preservation and Improvements Unit (HIP) sponsored Rehabilitation Management Training for Home Repair and Rehabilitation Program staff of seventeen agencies. The training covered revisions to the State Rehabilitation Program, including required lead regulation requirements. In addition, HIP Unit staff continued to provide these contractors with technical assistance regarding the federal and state laws and regulations; while the contractors came into compliance with the new HUD Lead Safe Regulation beginning January 10, 2002. The Technical Services Section monitored for compliance with these federal regulations.

HIP Unit staff adopted Lead Safe Weatherization protocols to add to the HUD Lead-based Paint Safe Work Practices protocols. In addition, for the 2003 U.S. Department of Energy Weatherization Program, they completed an in-depth Lead-based Paint policy section in the Health and Safety Plan of the Washington State Low-Income Weatherization Assistance Plan. These policies and protocols will guide the work performed on approximately 5,000 homes per year by 26 agency contractors throughout the state.

Development of more specific lead-based paint project policies and procedures for weatherization and rehabilitation programs is being undertaken by HIP Unit and agency contractor staff on the Technical Development Committee of the DCTED Weatherization and Repair Work Group.

Stakeholders in the housing community sponsored legislation during the 2003 Legislative Session to transfer the statewide, EPA accredited, Lead-Based Paint Professionals Training and Certification Program from Region 10 EPA to DCTED. If this legislation passes, and the program is approved by EPA, DCTED will qualify for EPA grant funding to administer the program; and HUD Lead-Based Paint Hazard Control Grants will fund this work in rehabilitation projects assisting low-income families.

The CDBG Lead-Based Paint Hazard Reduction Grants staff awarded a total of \$1,791,254 to thirteen counties, in one-time-only grants that fund training and certification of lead-based paint professionals, purchase of equipment, and performance of lead-based paint interim controls in rehabilitation projects during 2002.

Tenant Based Rental Assistance (TBRA) staff revised the Program Manual to include Lead-based Paint policies and procedures, and then trained contractors on these changes.

The Housing Finance Unit's Compliance and Asset Management Section monitors and inspects units after the rehabilitation is complete for HQS requirements, including lead-based paint.

Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) include:

- 1 & 3. *(Seek a HUD waiver of the 9/15/200 rule & Determine the adequacy of EPA certified inspectors, assessors, and abatement supervisors and workers throughout the state) DCTED Initiatives 1 & 3 were finished in 2001. January 10, 2002 is Washington State's compliance date for the HUD Lead-Safe Housing Regulation.*
4. *(Provide input on lead-based paint draft rules) The HIP Unit adopted Lead Safe Weatherization protocols and HUD Lead-based Paint Safe Work Practices protocols in the Lead-based Paint policy section of the Health and Safety Plan of the Washington State Low-Income Weatherization Assistance Plan for the 2003 U.S. Department of Energy Weatherization Program. HIP Unit staff and agency contractor representatives are now developing more specific lead-based paint project and monitoring policies and procedures for weatherization and rehabilitation programs.*
5. *(Assess the adequacy of EPA certified inspectors, assessors and abatement supervisors and workers throughout the state) The CDBG Lead-Based Paint Hazard Reduction Grants staff awarded a total of \$1,791,254 to 13 counties in one-time-only grants to fund training and certification of lead-based paint professionals, purchase of equipment, and performance of lead-based paint interim controls in rehabilitation projects during 2002.*

Because legislation has not yet passed to authorize a state agency to administer an EPA accredited, Lead-Based Paint Professionals Training and Certification Program, DCTED does not yet qualify for the EPA grant funding to administer the program nor the HUD Lead-Based Paint Hazard Control Grants to fund this work in rehabilitation projects for low-income families. However, funding from the weatherization and rehabilitation programs at DCTED must now be directed towards meeting the federal and state lead-based paint laws, regulations, policies and protocols. This will assure that local agency staff and subcontractors receive required training and that lead hazard reduction is being properly performed in pre-1978 housing units.

6. *(Educate housing authorities and other non-profit agencies on how to identify and reduce lead-based paint hazards in pre-1978 housing) HUD's contractors, Quan Tech and the Environmental Education Associates, continued to train Washington State contractors in 2002. In addition, DCTED's HIP Unit contractor, The Building Performance Center at The Opportunity Council, developed training modules in Lead-Safe Weatherization, Lead-Safe Work Practices, Lead Containment and Cleanup and Lead-Safe Worker Protection and continued to present training statewide to the rehabilitation and weatherization contractors' network.*

The TBRA staff added Lead-based Paint policies and procedures to the TBRA Program Manual, trained contractors on the new Manual and expanded the eligible applicant pool in order to educate and retain new participants.

7. *(Ensure contractors meet the requirements to educate residents) DCTED's Housing Finance Unit's Compliance and Asset Management Section and the Housing Improvements and Preservations Unit's Technical Services Section monitor for lead-based paint notification requirements for housing units receiving federal assistance.*

Specific Performance Measures for 2002	
Measures	Accomplishments
Conduct four lead-based paint classes, including inspector, risk assessor, lead abatement supervisor and worker.	This measure was completed in 2002. Ongoing training for workers is provided under contract from DCTED.
DCTED monitoring of contractor project files will show 95 percent compliance with education standards.	HFU and HIP Unit staff perform monitoring for compliance with requirements.
Owners of assisted programs will receive lead-based paint education.	HRRP and Weatherization contractors notify all homeowners in pre-1978 homes served. TBRA and HOPWA contractors also provide required notification.
Number of units receiving lead-based paint hazard reduction activity is increased.	HRRP pre-1978 units with lead-based paint have received hazard reduction activities this year.

II. Anti-poverty Strategy—Poverty in Washington State

STRATEGY 1.

Coordinate housing, supportive services, and WorkFirst activities, so that they have a larger impact on poverty.

(Improve the integration of support services into housing development projects) DCTED incorporated additional questions in the Housing Trust Fund application process to ensure that adequate services are planned for special needs projects. Additional attention is given to issues of accessibility, funding commitments, and the extent to which services will enhance self-reliance and independence.

STRATEGY 2.

Increase access to education and employment for low-income families.

- 2.2 *(Support local efforts to attract employers that will provide career ladders for low-income families) Under an initiative called “Careers in Hospitality,” DCTED’s WorkFirst Division funded sector projects in Skagit, Pierce, Thurston, King and Spokane counties designed to link WorkFirst participants with jobs and careers in the hospitality industry. A collaborative effort that included industry partners such as the Washington Restaurant Association, the initiative resulted in 100 people trained in hospitality related skills and almost 50 people finding employment within the industry in Pierce, Skagit, and Thurston counties.*
- 2.3 *(Provide funding for services that support the continued employment of low-income persons, including transportation, childcare, and other support services) The WorkFirst Transportation Initiative (WTI) received a \$6 million earmark of 2002 Job Access and Reverse Commute (JARC) grant funds from the Federal Transit Administration (FTA). JARC funds are used to provide transportation services that link welfare recipients and other low-income people to jobs and other employment-related services, including training and childcare. Through a statewide competitive process, the WTI selected 32 local projects to receive JARC grants. While FTA has approved all 32 projects, implementation of many of the projects has been delayed due to the lack of matching funds. In prior years, the WorkFirst program provided Temporary Assistance for Needy Families (TANF) funds to projects for the required 50% match, but this funding was eliminated in 2002, causing projects to have to seek other resources.*
- 2.4 *(Provide funding for job training and counseling services, particularly for those that are hardest to employ) The Community Jobs program served 2,800 participants, working with 17 consortiums around the state, plus four tribes. Community Jobs is a component of WorkFirst that provides paid transitional work experience for challenged TANF recipients encountering barriers in the job market. DCTED’s WorkFirst Division administers the program through contracts with community-based*

and local government organizations. Recognized as a national model, Community Jobs was a recipient of the Council of State Government's 2001 Innovations Award.

DCTED's WorkFirst Division, in partnership with the Washington State Labor Council AFL-CIO, was successful in obtaining funds for an ANEW (Apprenticeship & Non-Traditional Employment for Women and Men) project. The ANEW Apprenticeship Opportunities project provides transitional, community-based training, work experiences and job placement for Temporary Assistance to Needy Families (TANF) recipients referred through the Department of Social and Health Service, Employment Security Department, and Community Jobs, and non-TANF low-income families (not to exceed 15% of total enrollment). The program provides participants with the training, skills and job readiness to help them find permanent, unsubsidized employment. Twenty participants have successfully graduated from this program.

STRATEGY 3.

Promote the economic advancement of low-income families.

(Provide funding for individual development accounts to help low-income families acquire assets, including education, microenterprise, and homeownership) During 2002, 239 low-income families enrolled in DCTED's Individual Development Accounts (IDA) program, bringing total enrollments to 456. The IDA program encourages low-income workers to save money and invest in an asset by matching savings intended for a specific use. Eligible uses include first-time homeownership, small business capitalization, and post-secondary education. Participants must complete financial literacy training and training specific to their chosen asset. As of December 2002, a total of 284 participants had completed financial literacy training, 97 had received asset-specific training, and 39 had successfully completed their goal of purchasing an asset. Of these, 19 purchased a home, 11 capitalized a small business, and 9 paid for post-secondary education.

STRATEGY 4.

Improve coordination with the WorkFirst and WorkSource programs.

4.1 (Develop a coordinated job creation and retention strategy for rural areas of the state) Each Workforce Investment Area in the state, through their Workforce Development Council, has developed a strategy for coordinating business services through WorkSource, which offers a one-stop approach to businesses wishing to fill job openings. In many areas, WorkFirst is a partner in the WorkSource one-stop center, helping to improve linkages between business customers and low-income job seekers.

III. Citizen Participation

The 2002 report was posted on the Housing Division's website and a public notice published in the Daily Journal of Commerce and interested parties were invited to submit comments.

Comments from the public will be included in the final submission to HUD.

